Form (2)

Sr.No. 273-G

Date. 26.3.2016

# THE REPUBLIC OF THE UNION OF MYANMAR

## The Myanmar Investment Commission

## PERMIT

Permit No. 1124 / 2016 Date: 26th March 2016

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. ENRIQUE SANTOS MARTINEZ

(b) Citizenship FILIPINO

(c) Address 3 MACTAN ST., MAGALLANES VILLAGE, MAKATI CITY, PHILIPPINES

(d) Name and address of Principal Organization ASIA PACIFIC BEVERAGES PTE.LTD, 6 TEMASEK BOULE VARD#29-00, SUNTEC TOWER FOUR, SINGAPORE 038986

(e) Place of incorporation PHILIPPINES

(f) Type of Investment Business MANUFACTURING, MARKETING, SALES AND DISTRIBUTION OF NON-ALCOHOLIC READY-TO-DRINK BEVERAGE PRODUCTS

(g) Place(s) at which Investment is permitted PLOT NO.151, YANGON INDUSTRIAL ZONE, NORTH OKKALAPA TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US$ 9.00 MILLION

(i) Period for Foreign Capital brought in WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 10.00 MILLION (INCLUDING US$ 9.00 MILLION)

(k) Construction period 1 YEAR

(l) Validity of investment permit 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of Company incorporated in Myanmar ASIA PACIFIC BEVERAGES MYANMAR COMPANY LIMITED

Chairman

The Myanmar Investment Commission

# ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
# မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
# ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၁၀၂၄/၂၀၁၆ ၂၀၁၆ခုနှစ် မတ်လ ၂၆ ရက်

ပြည်ထောင်စု သမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃ ပုဒ်မခွဲ(ခ)အရ ဤခွင့်ပြုမိန့်ကိုမြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်ကထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် MR. ENRIQUE SANTOS MARTINEZ

(ခ) နိုင်ငံသား FILIPINO

(ဂ) နေရပ်လိပ်စာ 3 MACTAN ST., MAGALLANES VILLAGE, MAKATI CITY, PHILIPPINES

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ ASIA PACIFIC BEVERAGES PTE. LTD, 6 TEMASEK BOULE VARD#29-00, SUNTEC TOWER FOUR, SINGAPORE . 038986

(င) ဖွဲ့စည်းရာအရပ် ဖိလစ်ပိုင်နိုင်ငံ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား အရက်မပါသော အသင့်သောက်သုံးရန် အချိုရည်နှင့် ဖျော်ရည်များအား ထုတ်လုပ်ခြင်း၊ ဈေးကွက် ရှာဖွေခြင်း၊ ရောင်းချခြင်းနှင့် ဖြန့်ဖြူးခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ် ၁၅၁၊ ရန်ကုန်စက်မှုဇုန်၊ မြောက်ဥက္ကလာပမြို့နယ်၊ ရန်ကုန်တိုင်း ဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၉.၀၀သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိသည့်နေ့မှ ၁ နှစ် အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁၀.၀၀ သန်းနှင့် ညီမျှသော မြန်မာကျပ်ငွေ (အမေရိကန်ဒေါ်လာ ၉.၀၀သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၁နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် ASIA PACIFIC BEVERAGES MYANMAR COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

Confidential



THE REPUBLIC OF THE UNION OF MYANMAR
**MYANMAR INVESTMENT COMMISSION**
**No.(1), Thitsar Road, Yankin Township, Yangon**

Tel: 01-658127
Fax: 01-658136

Our ref : DICA-2/FI-140/ 2016(273-G)
Date : 26th March 2016

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing, Marketing, Sales and Distribution of Non-Alcoholic Ready-to-Drink Beverage Products" under the name of Asia Pacific Beverages Myanmar Company Limited.**

Reference: Asia Pacific Beverages Myanmar Company Limited Letter dated 4-12-2015.

1. The Myanmar Investment Commission, at its meeting ( 11 /2016) held on (25-3-2016) had approved the proposal for investment in "Manufacturing, Marketing, Sales and Distribution of Non-Alcoholic Ready to Drink" under the name of "Asia Pacific Beverages Myanmar Company Limited " submitted as a Joint Venture between Asia Pacific Beverages Pte.Limited (90%) from Republic of Singapore and U Aung Maw Thein (10%) from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the Republic of the Union of Myanmar Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be initial 50 (fifthty) years commency from the date of issuance of Myanmar Investment Commissiom permit.The lease term shall be initial 50 years commencing from the date of signing of the Lease Agreement between the lesser and lessee for land between U Aung Maw Thein (lessor) and Asia Pacific Beverages Myanmar Company Limited (lessee) and extendable for 10 (ten) years in two times by mutual agreement.

4. The land rent for the first year of the initial term shall be US$ 228690 (United States Dollar two hundred and twenty-eight thousand, six hundred and ninety only) calculated at the rate of US$ 28.45 per square meter per year for the first five years period of the land measuring 86502 square meters (1.986 acres). The rent for the first 20 years of the initial terms shall be subject to an annual increased of 5% the preceding annual rent.

5. In issuing this "Permit" the Commission has granted, the followings, exemptions and reliefs as per section 27(a),(i)and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption of relief from commercial tax on the goods produced for export;

6. Asia Pacific Beverages Myanmar Company Limited shall have to sign the Land Lease Agreement with U Aung Maw Thein. Moreover, U Aung Maw Thein shall have to sign the Joint Venture Agreement with MC Asia Pacific Beverages Pte. Ltd. After signing such Agreement , each (5) copies shall have to be forwarded to the Commission.

7. Asia Pacific Beverages Myanmar Company Limited in consultation with the Department of Company Division, Directorate of Investment and

Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Asia Pacific Beverages Myanmar Company Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

9. Asia Pacific Beverages Myanmar Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of the construction period shall not be granted more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if Asia Pacific Beverages Myanmar Company Limited cannot construct completely in time the construction period or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The investor or promoter shall apply the commencement date of commerical operation with Report Form (11) for their manufacturing business to the Commission in accord with Rule 97.

13. Asia Pacific Beverages Myanmar Company Limited shall endeavour to meet the targets for production stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and section 25 of the Republic of the Union of Myanmar Foreign Investment Law and the Asia Pacific Beverages Myanmar Company Limited has to follow the existing Labour Law for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section 2(i) of the said Law, other than foreign currency.

16. Asia Pacific Beverages Myanmar Company Limited brings in foreign capital defined under section 2(i) of the Republic of the Union of Myanmar Foreign Investment Law, other than foreign currency in the manner of paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Asia Pacific Beverages Myanmar Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient documents in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Asia Pacific Beverages Myanmar Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Asia Pacific Beverages Myanmar Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Initial Environmental Exmination (IEE) and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP and to abide by

the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. After getting permit from Myanmar Investment Commission, Asia Pacific Beverages Myanmar Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. After getting permit from Myanmar Investment Commission, Asia Pacific Beverages Myanmar Company Limited must follow National Food Law and it is necessary to get the permission of Food and Drug Administration (FDA) under Ministry of Health.

22. Asia Pacific Beverages Myanmar Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials etc., shall be made from export earnings of Asia Pacific Beverages Myanmar Company Limited.

24. Asia Pacific Beverages Myanmar Company Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)

Chairman

**Asia Pacific Beverages Myanmar Limited**

cc:
1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Agriculture and Irrigation
5. Ministry of Environmental Conservation and Forestry
6. Ministry of Electric Power
7. Ministry of Immigration and Population
8. Ministry of Commerce
9. Ministry of Finance

10. Ministry of National Planning and Economic Development
11. Ministry of Labour, Employment and Social Security
12. Office of the Yangon Regional Government
13. Director General, Department of Agriculture
14. Director General, Department of Environmental Conservation
15. Director General, Immigration and National Registration Department
16. Director General, Department of Trade
17. Director General, Internal Revenue Department
18. Director General, Customs Department
19. Director General, Directorate of Investment and Company Administration
20. Director General, Directorate of Labour
21. Director General, Fire Services Department
22. Director General, Directoriate of Industrial Supervision and Inspection
23. Managing Director, Myanma Electric Power Enterprise
24. Managing Director, Myanma Foreign Trade Bank
25. Managing Director, Myanma Investment and Commercial Bank
26. Managing Director, Myanma Insurance
27. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)